

local citizens. He had that kind of personality. During his time there he was accepted into the seminary, with an eye toward eventually returning to Vietnam to be able to work with orphans.

Rocky was also a soldier's soldier, a West Point graduate, a Green Beret who lived and breathed the code of duty and honor and country. One of Rocky's superiors said that the term "gung ho" fit him perfectly. Others remember his strong sense of moral purpose and unbending belief in his principles.

As his brother Steve once recalled, "If he thought he was right, he was a pain in the neck." [Laughter] "If he knew he was right, he was absolutely atrocious." [Laughter]

When Rocky completed his one-year tour of duty, he volunteered for another tour. And 2 weeks before his time was up, on October the 29th, 1963, he set out with several companies of South Vietnamese troops, planning to take out a Viet Cong command post. It was a daring mission and an unusually dangerous one for someone so close to going home to volunteer for.

After some initial successes, a vastly larger Viet Cong force ambushed and overran Rocky's unit. Under siege and suffering from multiple bullet wounds, Rocky kept providing covering fire so that friendly forces could withdraw from the killing zone.

Eventually, he and two other Americans, Lieutenant Nick Rowe and Sergeant Dan Pitzer, were captured, bound, and forced to walk barefoot to a prison camp deep within the jungle. For much of the next 2 years, their home would be bamboo cages, 6 feet long, 2 feet wide, and 3 feet high. They were given little to eat and little protection against the elements. On nights when their netting was taken away, so many mosquitos would swarm their shackled feet it looked like they were wearing black socks.

The point was not merely to physically torture the prisoners but also to persuade them to confess to phony crimes and use their confessions for propaganda. But Rocky's captors clearly had no idea who they were dealing with. Four times he tried to escape, the first time crawling on his stomach because his leg injuries prevented him from walking. He insisted on giving no more information than required by the Geneva Convention and

cited the treaty, chapter and verse, over and over again.

He was fluent in English, French, and Vietnamese and would tell his guards to go to hell in all three. Eventually the Viet Cong stopped using French and Vietnamese in their indoctrination sessions, because they didn't want the sentries or the villagers to listen to Rocky's effective rebuttals to their propaganda. Rocky knew precisely what he was doing. By focusing his captors' anger on him; he made life a measure more tolerable for his fellow prisoners, who looked to him as a role model of principled resistance.

Eventually the Viet Cong separated Rocky from the other prisoners. Yet even in separation, he continued to inspire them. The last time they heard his voice, he was singing "God Bless America" at the top of his lungs.

On September the 26th, 1965, Rocky's struggle ended with his execution. In his too short life, he traveled to a distant land to bring the hope of freedom to the people he never met. In his defiance and later his death, he set an example of extraordinary dedication that changed the lives of his fellow soldiers who saw it firsthand. His story echoes across the years, reminding us of liberty's high price and of the noble passion that caused one good man to pay that price in full.

Last Tuesday would have been Rocky's 65th birthday. So today we award Rocky—Rocky Versace the first Medal of Honor given to an Army POW for actions taken during captivity in Southeast Asia. We thank his family for so great a sacrifice. And we commit our country to always remember what Rocky gave to his fellow prisoners, to the people of Vietnam, and to the cause of freedom.

Now, Major, please read the citation.

NOTE: The President spoke at 3:07 p.m. in the East Room at the White House. Following the President's remarks, Maj. Paul Montanus, USMC, Marine Corps Aide to the President, read the citation.

The President's News Conference July 8, 2002

The President. Good afternoon. I hope you all enjoyed your weekend in Maine as

much as I did. And I hope our fellow Americans all enjoyed a Fourth of July weekend with their family and friends. And now it's back to work. Congress is coming back into Washington, and they've got a lot of work ahead of them before the August vacation.

Congress has been making some important progress, but it also has a lot of unfinished business. I urge Congress to join me in advancing—join me in acting to achieve and advance three big goals: We need to win the war; we need to protect our homeland; and we need to strengthen our economy.

Winning the war and protecting the homeland requires a sustained national commitment. More than 100 days ago, I asked Congress to appropriate additional money to equip our Armed Forces and strengthen the security at our airports. Four months later, the Department of Defense and the new Transportation Security Administration are still waiting for the money, and they'll run out of operating funds maybe as soon as this week. Congress simply must fund our troops while they're fighting a war. And Congress must provide the funds to improve security at our airports. Further delay is intolerable. Congress has got to act.

Congress must also pass the defense appropriations for next year's budget. The House has acted. The Senate must act. Our Nation is at war, and our budget priorities and actions need to reflect that reality. These bills are critical, and quick action on them does not and should not preclude simultaneous progress on other legislation.

Creating more jobs and strengthening our economy are critical priorities. And Congress can act to create jobs by giving me trade promotion authority. Expanding trade means new jobs for American workers. Congress has debated trade now for more than a year. It's time to stop talking. It's time to start acting. Congress should act to create American jobs before it goes home for the August recess.

And Congress should act to make us less dependent on foreign sources of energy. Congress has the opportunity to pass legislation that gives America the energy policy it needs, one that makes us less dependent on foreign oil and promotes conservation. Reliable, affordable energy means more and better jobs.

Another key element of economic growth is consumer and investor confidence in our markets and in the integrity of corporate America. And right now, that confidence has been shaken. Tomorrow in New York, I'll outline tough new laws and actions to punish abuses, restore investor confidence, and protect the pensions of American workers. We have a duty to every worker, shareholder, and investor in America to punish the guilty, to close loopholes, and protect employee pensions. And we will. The House has acted on the pension reforms I proposed in February and on the corporate responsibility proposals I made in March. It's time for the Senate to act in an equally responsive manner.

As Congress works on all this important legislation, it must keep a tight hand on taxpayers' money. Excessive Government spending is a drag, or will be a drag, on our economy. Congress is moving forward on the proposal for the new Department of Homeland Security, and it is doing so with speed and skill and a constructive spirit of bipartisan cooperation. I hope the Congress will apply the same spirit to other important legislation.

A safer and more prosperous America can also be a more compassionate country. The House has acted to encourage the charity and good works of private and religious groups throughout America. The House has also passed welfare reform that upholds the values of work and family. If the Senate acts, we will improve the lives of millions of our fellow citizens.

I know that this is an election year, and both Republicans and Democrats will be focused on politics. That's normal during an election year, but we must not be distracted from the important work that we share. It will take a lot of work and bipartisan cooperation to get important legislation out of the Congress before they all go home to campaign. The agenda is full; the time is short; and the Nation is watching.

In the coming weeks, I'll continue to focus on pursuing the war and protecting the homeland and strengthening our economy. And I urge the Congress to join me in this unfinished business.

Now I'll be glad to answer some questions you have. Why don't we start here, David [David Gregory, NBC News]?

Corporate Responsibility

Q. Mr. President, in the war on terrorism, you made it very clear that it's not just a matter of seeking justice for offenders but also preventing another act of terrorism against our country. So when it comes to corporate corruption, beyond calling for tough penalties, what can you say to investors around the country about what this administration will do to prevent abuses from occurring in the future?

The President. Well, let me start by telling you that I think, by far, the vast majority of CEOs in America are good, honorable, honest people who have nothing to hide and are willing to let the true facts speak for themselves. It's the few that have stained the—that have created the stains that we must deal with.

And tomorrow I'm going to talk about some specifics, and I'd rather save those for tomorrow. But let me just put it to you this way: We'll vigorously pursue people who break the law. And that's what—and I think that will help restore confidence to the American people.

Q. And prevention, though? What about—how do you prevent this from happening again?

The President. Well, David, there is a—listen, there had been a period of time when everything seemed easy. Markets were roaring; capital was everywhere; and people forgot their responsibilities. And as you know—you've had to suffer through many of my speeches—but I have been calling for a renewed sense of responsibility in America. And that includes corporate responsibility, because I'm very worried about a country that has—that could conceivably lose confidence in the free enterprise system. And I'm an avid backer of the free enterprise system, but I also understand that that requires trust. And we've had some destroy the trust of the American people, and we need to do something about it.

In the future, starting—we start with calling on people's—calling on people's better

nature. And I'll do some of that tomorrow as well.

Yes, Sandra [Sandra Sobieraj, Associated Press].

Smallpox Vaccine

Q. Sir, the Government is stockpiling enough smallpox vaccine for every American, but is only planning right now to offer it to emergency and health care workers. Why shouldn't every American be able to evaluate the health risks for themselves and then decide for themselves to get the vaccine?

The President. Sandra, first of all, I haven't made any decisions as to who's going to be vaccinated or not. We're looking at all options. I think one concern that I can share with you is that if everybody received a vaccine, there are some who—to whom that vaccine might be fatal. And I worry about that. I worry about calling for a national vaccination program and that it could cause the loss of life. And so I'm looking at all options before I make up my mind.

Yes. Yes, sir.

Harken Energy/2002 Election

Q. Mr. President, the Democrats have signaled that they are going to make your behavior while a director at Harken an election-year issue. There's an ad out today which is relatively new. I know you said this has been vetted before—I mean, I've heard that. But would you take on the charge that you were 8 months late with an \$850,000 stock sale report?

The President. First, let me take on the notion that people love to play politics. You know, you said the Democrats are going to attack me based upon Harken. That's nothing new. That happened in 1994. I can't remember if it happened in 1998 or not. It happened in 2000. I mean, this is recycled stuff. When I—[laughter]. Thank you. [Laughter]

When I made the decision to sell, I filed what's called a Form 144. I think you all have copies of the Form 144. It's an intention to sell, and I did so. And—but as you said, this has been fully vetted. It has been looked at by the SEC. You've got the documents. You've got the finding where the guy said, "There is no case here." And it's just—the way I view it is, it's old-style politics. And

I guess that's the way it's going to be, but——

Q. Well, sir, if I might, on the question that the Form 4 was 8 months late, why was it?

The President. You know, the important document was the 144, the intention to sell. That was the important document. I think you've got a copy of it. If you don't, we'll be glad to get you one that showed the intention to sell.

As to why the Form 4 was late, I still haven't figured it out completely. But nevertheless, the SEC fully looked into the matter. They looked at all aspects of it, and they did so in a very thorough way. And the people that looked into it said there is no case. And that was the case in the early nineties; it was the case in the '94 campaign; it was the case in the '98 campaign. The same thing happened in the 2000 campaign. I guess we're going to have to go through this again in the 2002 campaign, but nothing has changed. And the nothing that changed was the fact that this was fully looked into by the SEC, and there's no "there" there.

Helen [Helen Thomas, Hearst Newspapers].

SEC Chairman Harvey Pitt

Q. Mr. President——

The President. I'm working my way around, John [John Cochran, ABC News].

Q. —in a way to clean up the corporate world and start the reforms, Senator McCain is suggesting that you ask for the resignation of Harvey Pitt and says that he is inept and has had to recuse himself so many times in all these cases. What do you think? And are you 1,000 percent behind him?

The President. Very tricky. I support Harvey Pitt. Harvey Pitt has been fast to act. He's been in office less than 12 months, I think—I mean, he was—we sent him up to the Senate and was unanimously approved. I'm not exactly sure when the vote was. I guess it was about a year ago, and every Senator said aye on Harvey Pitt—"aye" meaning that they thought he would do—they thought he was the right man for the job. And I still think he is.

He is—in a quick period of time, he has taken 30 CEOs and directors to task by not

allowing them to serve again on a board or serve in a CEO capacity of a company. He's encouraged what they call disgorgement; in other words, if somebody has profited based upon malicious reporting, or whatever the lawyers call it—obviously trying to scam somebody—they had to give their money back. And he's been very active on that. So I think Pitt's doing a fine job.

Former President Clinton/Harken Energy

Q. Sir, you said, in your speech tomorrow you're going to talk about some of the excesses of the 1990s, when a lot of money was flying around, people were playing a lot of games with money.

The President. That's right.

Q. You weren't President then; Bill Clinton was President. Do you think in some way he contributed to that, set a moral tone in any way?

The President. No.

Q. Can I ask one more—[laughter]? You'd not like to expand on that?

You were asked about the SEC and the Harken Energy Company. Democrats are saying, "Would you have the SEC release all the papers in connection with that to end all the questions? Would you tell the SEC, Mr. Pitt, to release those papers?"

The President. This is old politics, John. This has been around for a long time. In the early nineties, key members of Congress asked for relevant documents from the SEC on this case. They were given the documents. You've seen the relevant documents.

And I want to remind you all that I sold the stock at 4, and 14 months later—the holding period for capital gains, I think, was 12 months in those days—the person who bought my stock could have sold it for 8, could have doubled his or her money.

Q. Mr. President, you've said that you didn't know, when you sold your Harken stock, that the company was going to restate its earnings. As a member of its audit committee, how could you not know that its earnings had not been properly accounted for?

The President. Because that fact—that fact came up after I sold the stock. And the SEC fully looked into this. All these questions that you're asking were looked into by

the SEC. And again, I repeat to you, the summary, which I think you've seen—I hope you've seen it; if not, we'll be glad to get it to you—said there was no case there.

Yes—working my way down there.

Usama bin Laden

Q. Mr. President, first of all, my apology for not having the tie, because I have this Indian summer suit today. *[Laughter]*

The President. That's okay. Therefore, you don't get to ask a question. *[Laughter]*

Q. And second, sir, happy birthday. We share the—were born the same day.

The President. Thank you. That's a fine question. *[Laughter]*

Q. My question is, sir, that we did a survey at India Globe and Asia Today, around the United States among the Indian-American community and also in India and the Indian Government. They all support your stand against fighting against terrorism. But the question is, sir, are you going to find Usama bin Laden before the first anniversary of September 11th?

The President. Well, that's an interesting—his question is about Usama bin Laden. We haven't heard from him in a long time. I don't know if the man's living or the man's dead. But one thing is for certain: The war on terror is a lot bigger than one person. And as I told the American people, this is going to be a long and—long struggle. And we're making good progress. We're rounding people up slowly but surely. We're disrupting networks. But this is—and these are like international criminals, is what they act like. They kind of hide and order things up and then hide again. And we're just patiently hunting them down. And whether or not Usama bin Laden is alive or not, I don't know.

Mike *[Mike Allen, Washington Post]*.

Harken Energy

Q. Sir?

Q. Mr. President, if I may walk you—

The President. If you'd have worn a tie, you could have had a followup. *[Laughter]*

Q. If I may ask a question from just before the sale of stock that you mentioned, could you please explain your role when you were on the board of Harken Oil in the sale of

1989 of its Aloha Petroleum subsidiary, which later caused the SEC to require Harken to restate its earnings? The sale has been described as creating a phantom profit to hide large losses. How did you see it, sir? And do you think that this transaction hurts your credibility on corporate responsibility?

The President. Mike, Mike, this and all matters that related to Harken were fully looked into by the SEC. And in this case, the system worked. There was a honest difference of opinion as to how to account for a complicated transaction. And that's what—you're going to find that in different corporations. Sometimes the rules aren't as specific as one would expect. And therefore, the accountants and the auditors make a decision. And it is the SEC's role to make the determination as to whether or not the accounting procedure used in this particular instance was proper or not.

And—let me finish. And they made the decision that Harken ought to restate some earnings, which Harken did. And that's how the system is supposed to work.

John *[John King, Cable News Network]*.

Q. If I may ask you, right before the accounting, the sale, itself, of the subsidiary—did you favor that? Were you involved—

The President. Mike, you need to look back on the directors' minutes. But all I can tell you is, is that in the corporate world, sometimes things aren't exactly black and white when it comes to accounting procedures. And the SEC's job is to look and is to determine whether or not—whether or not—whether or not the decision by the auditors was the appropriate decision. And they did look, and they decided that earnings ought to be restated, and the company did so immediately upon the SEC's finding.

Yes, John.

Corporate Responsibility

Q. Sir, in that SEC investigation, you waived attorney-client privilege so that the SEC could question Harken attorneys and your personal attorneys about your dealings. In light of that, do you think it is appropriate today, given the fact that you say investors are nervous about the markets, for senior executives of these companies to go before Congress and invoke the fifth amendment

and refuse to discuss their dealings in controversial—and on a related point, one of the differences right now between the administration and the Senate bill on corporate responsibility is the Sarbanes proposal to have this independent board, appointed by the SEC, police the accounting industry. You have opposed that so far. Are you prepared today to endorse that?

The President. Well, let me—I'll give you my opinion on that. Look, I think people, obviously, if they're called up, ought to tell what they know. But lawyers have different opinions. And these people are listening to the advice of their counsels.

Q. Does it hurt the very market confidence you're—

The President. Well, I think what hurts the market confidence is the—in the recent cases, was the inflated numbers. And so people look at balance sheets and wonder if they're real.

And now, as to the Sarbanes bill, we share the same goals, and I'm confident we can get a good piece of legislation out of the Congress. I too called for an independent board. My concern in the Sarbanes bill is that there's overlapping jurisdiction, which will make it harder to enforce rules and regulations, not easier. If you have overlapping jurisdiction, it creates confusion as to who is in charge of what. But I'm confident we can work that out. I am.

Yes, David [David Sanger, New York Times]. We're skipping around there.

Q. Mr. President, you—

The President. Nice tie, though. [Laughter]

Q. Hope I'm going to get a question. [Laughter]

Situation in the Middle East

Q. You gave your speech on the Mideast nearly 2 weeks ago now. And after your previous speech on the Mideast, you repeatedly called on the Israelis to withdraw from the West Bank. You made a brief allusion to that in this most recent speech. You haven't discussed it since. And of course, they're still there. Should they take your silence as an indication that they should stay where they are, or that they should stay there while Yasser Arafat is still in power?

The President. David, I said in my speech, "as security improves." I also will call upon the Israelis, as security improves, to allow for more freedom of movement by the Palestinian people.

At the same time, we're working to begin the reforms necessary amongst the Palestinians to create enough confidence in all parties so that security will improve as well. Burns—Under Secretary Burns was recently there in the Middle East. He's back to report this week. Colin Powell will be following up on his meetings.

And I haven't had the briefing yet, but I believe some progress is being made toward the institutions that I talked about that are necessary for a Palestinian state to emerge which will give us all confidence in its ability to fight off terrorist activities, in its ability to receive international aid without stealing the money, its ability to develop a judiciary. And what's very important in the Middle East, Dave, is that those institutions evolve and grow so that the true will of the Palestinian people can be reflected in the government and that the institutions grow and evolve so that there's, in fact, separation of power, so that all hopes of the Palestinians don't rest on one person. And I believe we're making some progress there.

Go ahead. Followup on Dave.

Q. With security at its current state, do I understand you correctly to be saying, if things are in its current state, you're perfectly comfortable to have the Israelis where they are?

The President. I would hope that everybody got the message that we all have responsibilities to fight off terrorist attacks.

Yes, Ed [Ed Chen, Los Angeles Times].

Bringing Terrorists to Justice

Q. Good afternoon. Since shortly after September 11, you said that you would like to see Usama bin Laden, dead or alive. But you've also said that America is after justice and not revenge.

The President. Right.

Q. Could you please tell us, to your way of thinking, what is the difference?

The President. Between justice and revenge? I think it's a difference of attitude. I mean, I seek justice for the deaths done

to American people. And it's—you can be tough and seek justice, Ed. And you can be disciplined and focused and seek justice. But it's a frame of mind. We don't take—we take lives when we have to, to protect the people and to hold people accountable for killing thousands, is how I look at it.

Ed, and then Jim [Jim Angle, Fox News], and then Tie Man [Ken Bazinet, New York Daily News].

Q. Thank you.

Iraq

Q. Yes, Mr. President, thank you. We continue to see reports on the state of planning to get rid of Saddam Hussein in Iraq. I know it's unlikely that you'll share any details with us, though we'd be delighted to hear them, sir——

The President. Somebody else thinks they are, evidently. [*Laughter*]

Q. But I wonder, Mr. President, regardless of when or how, is it your firm intention to get rid of Saddam Hussein in Iraq——

The President. Yes.

Q. ——and how hard to you think it will be?

The President. It's the stated policy of this Government to have regime change. And it hasn't changed. And we'll use all tools at our disposal to do so.

I actually didn't read the whole story about somebody down there at level five flexing some know-how muscle, but there's all kind—listen, I recognize there's speculation out there. But people shouldn't speculate about the desire of the Government to have a regime change. And there's ways, different ways to do it.

Q. How involved are you in the planning, sir? We know that you meet with General Franks. You meet with Rumsfeld to talk about this. How involved are you?

The President. I'm involved. I mean, I'm involved in the military planning, diplomatic planning, financial planning, all aspects of—reviewing all the tools at my disposal. And—but in my remarks to American people, I remind them I'm a patient person and there's a—but I do firmly believe that the world will be safer and more peaceful if there's a regime change in that Government.

And Tie Man. Let me see, you are—[*laughter*]—I don't have my—"no name," it says. Never mind. [*Laughter*]

Q. Tie Man is fine.

The President. Thank you.

SEC Chairman Harvey Pitt

Q. Thank you. And I thank you for the compliment. Earlier you signaled your staunch support for Harvey Pitt, sir. On August 8th, his one year will have come up, and he will no longer have to recuse himself. Do you think that he should voluntarily recuse himself after that point? Would that be appropriate?

The President. I think Harvey Pitt was put in place to clean up a mess, and he's working hard to do that. It's an amazing town, where the man barely got his uniform on, barely had a chance to perform, and now, for whatever reason, people think he ought to move on, the very ones who voted for him. And I would ask them to look at his record. And I'm going to—since I'm the decision-maker, I'm going to give him a chance to continue to perform.

Elisabeth [Elisabeth Bumiller, New York Times].

Q. Mr. President——

The President. Your name is not Elisabeth.

Harken Energy

Q. Thank you. The accounting procedures at Harken and Aloha have been compared to what went on at Enron. Would you agree with that?

The President. No.

Q. Why not, sir?

The President. Well, again, this is—there was no malfeasance involved. This was a honest disagreement about accounting procedures. And the SEC took a good look at it and decided that the procedures used by the auditors and the accounting firm needed to—were not the right procedure in this particular case or the right ruling and, therefore, asked Harken to restate earnings, which it did. I mean, that's the way the SEC works. That's the proper role of an oversight group.

There was no malfeasance, no attempt to hide anything. It was just a accounting firm making a decision, along with the corporate

officers, as to how to account for a complex transaction.

Q. Can I follow that up, sir?

The President. No.

Yes, Ken [Ken Walsh, U.S. News & World Report].

Corporate Responsibility

Q. Yes, Mr. President, to put your speech tomorrow in a larger context, at the turn of the last century, Theodore Roosevelt complained about what he called the “malefactors of great wealth,” and he asked, in a very famous speech, “Who shall rule this country, the people,” or what he called “those who hide behind the breastworks of corporate organizations?” I wonder if you feel this era is comparable to that one, and if you feel you should respond as aggressively as Roosevelt did to corporate corruption?

The President. Well, of course, he was referring to trusts. I’m referring to a lapse of ethics, people forgetting the fact that they represent things other than their own compensation packages, however inflated they may be, that they have a responsibility to employees and shareholders.

And I am—I also understand how tender the free enterprise system can be. If people lose confidence in the system, it will be hard to attract capital in the markets. And that’s one reason I’ve reacted so steadily against what I have seen. And I don’t like it a bit, and I’m going to talk about it tomorrow.

David asked an interesting question about how do you prevent things in the future. It’s like asking how do you—if somebody has—doesn’t have that ethical compass, they’ll find ways to cut corners. There are ways that people should hold people accountable. I mean, investors need to be—pay attention. There are investor groups that will do that. Obviously, boards of directors need to hold CEOs accountable. But if you get a bunch of people together that have no sense of ethics, you’re going to get this kind of behavior. And so then what the Government must do—and it’s a legitimate role of Government—is to step in and hold people accountable.

Corporate Tax Returns

Q. Mr. President, one way to establish or restore investor confidence being floated

right now is making public the tax returns of corporations. Would you favor that policy?

The President. Making public? I’d need to look at that. I’ll take a look at that.

Q. Mr. President—

The President. Hillman [G. Robert Hillman, Dallas Morning News].

Civil Rights

Q. Yes, Mr. President. The NAACP is meeting this week in Houston, as you probably know. And there’s been some criticism that you’ve not attended their convention since the 2000 campaign. How would you respond to that and respond generally to suggestions from some critics that your civil rights record in the administration is not a stellar one?

The President. Let’s see. There I was, sitting around the leader with—the table with foreign leaders, looking at Colin Powell and Condi Rice.

Yes.

Anti-Semitism/Situation in the Middle East

Q. Mr. President, on the Middle East, a followup. Realistically, can anything be accomplished in the Middle East before the Palestinian elections? And does the White House have anything to say about the rise of anti-Semitism which is sweeping Europe? Are you concerned that that could spread to this country?

The President. We’re concerned about anti-Semitism anywhere.

And yes, progress can be made. We can help write—encourage the writing of a new constitution, the reformulation of security forces, prepare aid packages that will be disbursed if there is transparency. So progress can be made until the elections.

Pension Reform

Q. Mr. President, how do you respond to the criticism that your administration, and you particularly, are more interested in protecting the interests of corporate America than the needs of ordinary Americans?

The President. What I’m interested in protecting is the confidence of all Americans in the marketplace, so that people feel comfortable investing, because investment means

jobs; and so that people feel comfortable that their savings plans and pension plans are protected. That's why I put out the pension reform package.

Remember, in February I laid out a pension reform package. And in March I laid out 10 steps for good corporate governance, and I'm waiting for Congress to act. And it's been a while. But listen, I'm a believer in the free enterprise system. But I'm also a strong believer in holding people accountable when they betray the trust of employees and shareholders. And that's exactly what we're going to do.

Yes, Anne [Anne Kornblut, Boston Globe].

Iraq/War on Terrorism

Q. On Iraq, can the American people expect that by the end of your first term you will have affected a regime change in Iraq, one way or another? And by the same token——

The President. That's hypothetical.

Q. But can the American people expect that? Should they expect that?

The President. That's a hypothetical question. They can expect me not to answer hypothetical questions.

Q. On Usama bin Laden, does your promise still——

The President. On sensitive subjects. [Laughter]

Q. Sir, on Usama bin Laden, does your promise still hold that he will be caught, dead or alive, at some point?

The President. What? Say that again?

Q. Does your promise on—or your goal of catching Usama bin Laden dead or alive, does that still stand?

The President. I don't know if he is dead or alive, for starters, so I'm going to answer your question with a hypothetical. Usama bin Laden, he may be alive. If he is, we'll get him. If he's not alive, we got him. [Laughter]

But the issue is bigger than one person. That's what I keep trying to explain to the American people. We're talking about networks that need to be disrupted, plans that need to be stopped. These people are cold-blooded killers. They're interested in killing innocent Americans, still. And therefore, we will continue to pursue them.

And I understand the frustrations of this war. Everybody wants to be a war correspondent. They want to go out there and see the tanks moving across the plains or the airplanes flying in formation and—but that's not the way this war is going to be fought all the time. There's a lot of actions that take place that you'll never see. And there's—and some of it, hopefully, will continue to take place as a result of the actions of our friends, such as that which took place in the Philippines. Abu Sayyaf—the leader, evidently, was killed by Philippine troops. And that's positive. That's a positive development.

We're constantly working with nations that might become havens for terrorists, to make sure that there's no place for them to bunch up or train or to—and it's—and we're making progress. But it's a long journey, and that's what people have got to know.

Press Secretary Ari Fleischer. Final question.

Role of Securities and Exchange Commission

Q. Mr. President, you mentioned that sometimes the accounting laws are just too difficult to calculate.

The President. No, I said sometimes there's differences—a ability to interpret one way or the other.

Q. But isn't that—wouldn't that provide a handy excuse to some of the folks who are involved in these scandals today, who say, "Well, internally we had——"

The President. Sure. Sure, it becomes a handy excuse. But good prosecutors and a strong SEC will determine the difference between what becomes a handy excuse by somebody willing to defraud and somebody who has just a difference of opinion. And that's the difference. And that's the role of the SEC, and that's why the SEC has to be strengthened.

And tomorrow I'll call for a stronger SEC, more investigators and more budget. But that's precisely what the role of the SEC is, and that's what it does. I know the Democrats are trying to divert attention from the major goal. And I hope they—I hope we can work together to get good legislation out. The important thing is to restore confidence to the economy, and we can. But—go ahead.

Q. I just wonder if you think then that some of the companies that are in play today in terms of scandal could actually be places where the accounting was just——

The President. Could be. It could be. It's not my role to judge, or the Congress' role to judge. It is the SEC's role to judge. And that's why we need a strong and vibrant SEC, to make those judgments. But I think it's pretty clear when somebody is trying to defraud. And it's—when you've got an error of \$3.4 billion, I think it was, it's a pretty clear indication that something might be there. But everybody ought to have their day in court. We ought not to rush to judgment on every single case that comes up. And the SEC ought to do its job and do it well.

Thank you all very much.

NOTE: The President's news conference began at 5 p.m. in the James S. Brady Briefing Room at the White House. In his remarks, he referred to Usama bin Laden, leader of the Al Qaida terrorist organization; Assistant Secretary of State for Near Eastern Affairs William J. Burns; and Abu Sabaya, a leader of the Abu Sayyaf terrorist group who was killed June 21 by Philippine military forces. Reporters referred to Chairman Yasser Arafat of the Palestinian Authority; Gen. Tommy R. Franks, USA, commander in chief, U.S. Central Command; and President Saddam Hussein of Iraq.

Remarks on Corporate Responsibility in New York City

July 9, 2002

Thank you all. Thank you very much for that warm welcome. I'm pleased to be back in New York City. New York City is a unique symbol of America's creativity and character and resilience. In the last 10 months, New Yorkers have shown a watching world the true spirit of your city, a spirit that honors the loss, remembers its heroes, and goes forward with determination and with confidence. The people of this city are writing one of the greatest chapters in our Nation's history, and all Americans are proud of New York.

I've come to the financial capital of the world to speak of a serious challenge to our financial markets and to the confidence on which they rest. The misdeeds now being uncovered in some quarters of corporate Amer-

ica are threatening the financial well-being of many workers and many investors. At this moment, America's greatest economic need is higher ethical standards, standards enforced by strict laws and upheld by responsible business leaders.

The lure of heady profits of the late 1990s spawned abuses and excesses. With strict enforcement and higher ethical standards, we must usher in a new era of integrity in corporate America.

I want to thank Bill for his introduction. There's nothing like being recycled. [*Laughter*] But thanks for having me, and I'm honored to meet your family and Uncle Jack. [*Laughter*]

I appreciate very much Secretary O'Neill and Secretary Evans traveling with me today. I want to thank the members of the New York delegation, Senators Schumer and Clinton as well as Congressman Fossella and Congressman Rangel. I appreciate so very much the mayor—my friend the mayor for being here to greet me as I came in on the chopper. Thank you, Mr. Mayor, and thanks for the great job you're doing for New York.

I'm honored that Cardinal Egan is here. And I appreciate so very much seeing John Whitehead, the chairman of the Lower Manhattan Development Corporation. And thank you all for coming as well.

The American economy—our economy—is built on confidence, the conviction that our free enterprise system will continue to be the most powerful and most promising in the world. That confidence is well-placed. After all, American technology is the most advanced in the world. Our universities attract the talent of the world. Our workers and ranchers and farmers can compete with anybody in the world. Our society rewards hard work and honest ambition, bringing people to our shores from all around the world who share those values. The American economy is the most creative and enterprising and productive system ever devised.

We can be confident because America is taking every necessary step to fight and win the war on terror. We are reorganizing the Federal Government to protect the homeland. We are hunting down the terrorists who seek to sow chaos. My commitment and the commitment of our Government is total. We